

**Introduced by Committee on Human Services (Senators Alquist
(Chair), Aanestad, Chesbro, Maldonado, and Romero)**

January 30, 2006

An act to amend Sections 12085, 12085.5, 12087, 12727, 12730, 12735, 12736, 12738, 12740, 12741, 12742, 12745, 12747, 12750, 12750.1, 12750.2, 12751, 12752.1, 12753, 12756, 12760, 12761, 12768, 12772, 12773, 12776, 12780, 12781, 12785, and 12787 of, to add Section 12758 to, and to repeal Section 12763 of, the Government Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

SB 1214, as introduced, Committee on Human Services. Community services programs.

(1) Existing law establishes the Department of Community Services and Development to perform various functions including coordinating and assisting community action agencies with respect to antipoverty and community services programs. Existing law specifically provides that notwithstanding the law prohibiting conflicts of interests for public officers, the violation of which is punishable as a felony a member of a community development district board may vote on matters before the board that would financially benefit the member or the business or organization that the member directly represents.

This bill would correct obsolete provisions in that law and would make other technical changes in the laws relating to the department and community action agencies. This bill would also repeal the exception to the application of the conflict of interest of law to members of a community development district board, thus constituting a state-mandated local program by creating a new crime.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12085 of the Government Code is
2 amended to read:

3 12085. (a) (1) Although the economic well-being of the state
4 has progressed to a level surpassing that of any other achieved in
5 world history, and although these benefits are widely shared
6 throughout the state, poverty continues to be the lot of a
7 substantial number of citizens of the state. California can achieve
8 its full economic and social potential as a state only if every
9 individual has the opportunity to contribute the full extent of his
10 or her capabilities and to participate in the workings of society.
11 The Legislature hereby declares that it is the policy of the state to
12 provide a range of services and activities having a measurable
13 and potentially major impact on causes of poverty in our
14 communities, particularly those areas of communities where
15 poverty is an acute problem. Specifically, it is the policy of the
16 state to assist low-income participants, including homeless
17 individuals and families, migrants, and the elderly poor, to do all
18 of the following:

19 (A) Secure and retain meaningful employment.
20 (B) Attain an adequate education.
21 (C) Make better use of available income.
22 (D) Obtain and maintain adequate housing and a suitable
23 living environment.

24 (2) It is further the policy of the state to do all of the following
25 in assisting participants:

26 (A) Provide emergency assistance to meet immediate and
27 urgent individual and family needs, including the need for health
28 services, nutritious food, housing, and employment-related
29 assistance.

1 (B) Coordinate and establish linkages between governmental
2 and other social services programs to ensure the effective
3 delivery of those services to low-income individuals.

4 (C) Encourage the use of entities in the private sector of the
5 community in efforts to ameliorate poverty.

6 (3) The Legislature finds that it is the purpose of this article to
7 strengthen, supplement, and coordinate efforts to further these
8 policies.

9 (b) In order to employ the resources of both the public and
10 private sectors of the state, and to effectuate the purposes of this
11 article, there is within the *California* Health and ~~Welfare~~ *Human*
12 *Services* Agency, a Department of Community Services and
13 Development.

14 SEC. 2. Section 12085.5 of the Government Code is amended
15 to read:

16 12085.5. Any reference in any provision of law *or regulation*
17 to the State Office of Economic Opportunity or the Department
18 of Economic Opportunity shall be deemed to refer to the
19 Department of Community Services and Development.

20 SEC. 3. Section 12087 of the Government Code is amended
21 to read:

22 12087. The department shall *have the responsibility, and is*
23 *hereby vested with all necessary powers and authority to* do the
24 following:

25 (a) Recognize existing community action agencies, as
26 *originally* defined by Section 2790 of Title 42 of the United
27 States Code *in the federal Economic Opportunity Act of 1964*
28 *and as superseded by Section 9902 of that title in the federal*
29 *Omnibus Budget Reconciliation Act of 1981 (P. L. 97-35), and as*
30 *further defined in Article 6 (commencing with Section 12750) of*
31 *Chapter 9 of Division 3 of Title 2*, and Indian tribes or tribal
32 organizations, as the operators of programs to serve the poor in
33 local communities, and, where the programs are of a statewide or
34 multicounty nature, other limited purpose agencies may be
35 considered as program operators.

36 (b) *Apply for, administer, and oversee federal block grant*
37 *funds, including, but not limited to, the Community Services*
38 *Block Grant and the Low-Income Home Energy Assistance*
39 *Program, and other public and private funds designed to support*
40 *antipoverty programs in the state, and define and enforce*

1 *programmatic performance and fiscal accountability standards*
2 *for those funds.* ~~Provide~~

3 (c) *Provide funding and* technical assistance, directly or
4 through grants or contracts, to community action agencies, Indian
5 tribes, and other agencies that operate programs of an antipoverty
6 nature.

7 ~~(e)~~

8 (d) Coordinate antipoverty efforts throughout the state, to the
9 extent permissible under federal law, to avoid duplication,
10 improve delivery of services, and relate programs to one another.

11 ~~(d)~~

12 (e) Maintain liaison with the federal Department of Health and
13 Human Services, Office of Community Services, county and city
14 commissions on economic opportunity, citizens' groups, and all
15 other governmental agencies engaged in economic opportunity or
16 community service programs, or both.

17 ~~(e)~~

18 (f) Collect and assemble pertinent information and data
19 available from other agencies of the state and federal
20 governments and disseminate information in the interests of
21 community services programs in the state by publication,
22 advertisement, conference, workshops, programs, lectures, and
23 other means.

24 ~~(f)~~

25 (g) Plan and evaluate long-range and short-range strategies for
26 overcoming poverty in the state.

27 ~~(g)~~

28 (h) Mobilize public and private resources in support of
29 antipoverty and community services programs.

30 ~~(h)~~

31 (i) Encourage participation by residents of poor communities
32 in the development and operation of community action programs
33 for their betterment.

34 ~~(i)~~

35 (j) Advise the Governor of his or her responsibilities under the
36 Economic Opportunity Program (Chapter 34 (commencing with
37 Section 2701) of Title 42 of the United States Code) and the
38 Community Services Block Grant Program (Chapter 106
39 (commencing with Section 9901) of Title 42 of the United States

Code), as well as any other federal law enacted with respect to meeting the needs of the poor.

(j)

(k) Measure and evaluate, directly or through grants or contracts, the impact of this article and other poverty-related programs authorized by law, in order to determine the effectiveness of the programs in achieving stated goals, impact on related programs, and the structure and mechanisms for the delivery of services. All the offices under the executive branch shall cooperate and provide the necessary information to the director, upon his or her request, to achieve the purposes of this subdivision.

(l) *Accept gifts, grants, or loans of funds or property, or financial or other aid designed to support antipoverty programs in the state, from any federal or state agency or private source and to comply with conditions thereof not contrary to law.*

(m) *Promulgate regulations and negotiate and execute contracts necessary or convenient for the exercise of its responsibilities, powers and functions, and to ensure that federal and state standards of programmatic performance and fiscal accountability are met.*

SEC. 4. Section 12727 of the Government Code is amended to read:

12727. All activities of the California Community Services Block Grant Program ~~state and local grantees~~ *eligible entities* shall have the following basic and specific purposes:

(a) The basic purpose of this chapter is to stimulate an effective concentration of all available local, state, private, and federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas to attain the skills, knowledge, and motivations and to secure the opportunities needed for them to become fully self-sufficient.

(b) The specific purposes of this chapter are to promote, as methods of achieving an effective concentration of resources on the goal of individual and family self-sufficiency, the following:

(1) The strengthening of community capabilities for planning and coordinating federal, state, private, and other assistance related to the elimination of poverty, so that this assistance, through the efforts of local officials, organizations, and interested

1 and affected citizens, can be made more responsive to local needs
2 and conditions.

3 (2) The coherent organization of a range of services related to
4 the needs of the poor, so that these services may be made more
5 effective and efficient in helping families and individuals to
6 overcome poverty-related problems in a way that takes into
7 account, and supports, their progress in overcoming identified
8 causes of poverty.

9 (3) The implementation, subject to adequate evaluation, of
10 new types of services and innovative approaches toward
11 eliminating causes of poverty, so as to develop increasingly
12 effective methods of employing available resources.

13 (4) Maximum feasible participation of members of the groups
14 and residents of the low-income areas to be served by programs
15 and projects in the development and implementation of those
16 programs and projects, in order to assure that all programs and
17 projects are meaningful to, and widely utilized by, their intended
18 beneficiaries.

19 (5) The broadening of the resource base directed towards the
20 elimination of poverty, so as to secure, in addition to the services
21 and assistance of public officials, private religious, charitable,
22 and neighborhood organizations, and individual citizens, a more
23 active role for business, labor, and professional groups able to
24 provide employment opportunities or otherwise influence the
25 quantity and quality of services of concern to the poor.

26 (c) It is the finding of the Legislature that these state purposes
27 and the intent of the federal Community Services Block Grant
28 will best be served by enacting the program policies and
29 requirements contained in this chapter.

30 SEC. 5. Section 12730 of the Government Code is amended
31 to read:

32 12730. For the purposes of this chapter:

33 (a) *“Community Services Block Grant” refers to the federal*
34 *funds and program established by the federal Community*
35 *Services Block Grant Program in the Omnibus Budget*
36 *Reconciliation Act of 1981 as contained in Public Law 97-35, as*
37 *that law has been amended from time to time and as currently*
38 *codified as Section 9901 et seq. of Title 42 of the United States*
39 *Code.*

1 (b) “Contract” means the written document incorporating the
2 terms and conditions under which the department agrees to
3 provide financial assistance to an eligible entity. Upon its
4 cosigning by authorized agents of the department and the eligible
5 entity, and subsequent approval by the Department of General
6 Services pursuant to Section 10295 of the Public Contract Code,
7 a contract shall be deemed to be valid and enforceable.

8 (c) “Director” means the Director of ~~the Department of~~
9 ~~Economic Opportunity Community Services and Development.~~

10 ~~(b) “Delegate agency” means a private nonprofit organization~~
11 ~~or public agency which operates one or more projects funded~~
12 ~~under this chapter pursuant to a contractual agreement with an~~
13 ~~eligible grantee.~~

14 ~~(e)~~

15 (d) “Department” means the Department of ~~Economic~~
16 ~~Opportunity Community Services and Development~~ as
17 constituted pursuant to Article 8 (commencing with Section
18 12085) of Chapter 1.

19 ~~(d)~~

20 (e) “Designation” means the formal selection of a proposed
21 community action agency by ~~a political subdivision or the~~
22 director, as provided in Section 12750.1.

23 ~~(e)~~

24 (f) “Eligible entity” means an agency or organization as
25 defined in ~~Public Law 97-35 Section 9902 of Title 42 of the~~
26 ~~United States Code, as amended, and may include private~~
27 ~~nonprofit organizations, including or religious organization or~~
28 ~~public agency that operates one or more projects funded under~~
29 ~~this chapter pursuant to a contract with the department.~~

30 ~~(f)~~

31 (g) “Eligible beneficiaries” means all of the following:

32 (1) All individuals living in households ~~whose income is with~~
33 ~~incomes~~ at or below the official poverty line as defined by the
34 United States Office of Management and Budget.

35 (2) All individuals eligible to receive ~~aid to families with~~
36 ~~dependent children~~ Temporary Assistance for Needy Families
37 under the states’s plan approved under Public Law 104-193, the
38 Personality Responsibility and Work Opportunity Reconciliation
39 Act of 1996, and (Chapter 2 (commencing with Section 11200) of
40 Part 3 of Division 9 of the Welfare and Institutions Code) or

1 ~~federal supplemental security income benefits (Title XVI, Social~~
2 ~~Security Act) assistance under Part A of Title IV of the Social~~
3 ~~Security Act (42 U.S.C. Sec. 601 et seq.).~~

4 (3) Residents of a target area or members of a target group
5 having a measurably high incidence of poverty and which is the
6 specific focus of a project financed under this chapter.

7 ~~(g)~~

8 ~~(h) “Financial assistance” means money provided to a grantee~~
9 ~~or contractor by the department to an eligible entity, pursuant to~~
10 ~~an approved contract agreement, in order to enable the grantee or~~
11 ~~contractor eligible entity to accomplish its planned and approved~~
12 ~~work program.~~

13 ~~(h)~~

14 (i) “Political subdivision” shall generally be deemed to mean
15 county government, with the following exceptions:

16 (1) In any county which prior to October 1, 1981, had more
17 than one designated community action agency, each unit of local
18 government which contained a designated community action
19 agency shall continue to operate as a “political subdivision”
20 under this chapter.

21 (2) Any county having fewer than 50,000 population
22 according to the ~~1980~~ *most recent* census *available* may be
23 deemed by the department to be part of a larger “political
24 subdivision” comprising two or more counties if the department
25 determines that to do so would but serve the purposes of this
26 chapter, and may participate in the designation process for a
27 multicounty community action agency.

28 ~~(i) “Recognition” means approval by the department of a~~
29 ~~community action agency to serve a particular community, such~~
30 ~~recognition to follow designation of that agency by one or more~~
31 ~~political subdivisions.~~

32 (j) “Secretary” means the Secretary of the United States
33 Department of Health and Human Services.

34 ~~(k) “Special consideration,” pursuant to the requirements of~~
35 ~~Section 675 (c) (4) of Public Law 97-35, as amended, means all~~
36 ~~of the following:~~

37 ~~(1) That no new or repeated designation shall be required of~~
38 ~~any political subdivision which had a designated community~~
39 ~~action agency on August 13, 1981.~~

~~(2) That no community action agency shall be determined to be out of compliance with program or fiscal requirements established by the state until such requirements are published for review and comment and until, in the case of requirements differing from those of the now defunct federal Community Services Administration, community action agencies are afforded a reasonable opportunity to comply therewith.~~

~~(l)~~

(k) “Standards of effectiveness” are the general standards, derived from the purposes of this chapter, *as further stated in subdivision (g) of Section 12745 and as they may be more specifically defined in regulation or contract*, toward which all programs and projects funded under this chapter shall be directed and against which they will be assessed.

~~(m) “Statement of grant action” means the written document incorporating the terms and conditions under which the department agrees to provide financial assistance to a grantee. Upon its cosigning by authorized agents of the department and the grantee, and subsequent approval by the Department of General Services pursuant to Section 14780, a statement of grant action shall be deemed to constitute a valid, enforceable contract.~~

~~(n)~~

(l) “State plan” means the plan required to be submitted annually to the secretary to secure California’s allotment of Community Services Block Grant funds, which shall be prepared and reviewed pursuant to the requirements of this chapter.

~~(o) “Uncapped area” means any county or portion thereof for which no community action agency has been designated and recognized.~~

(m) “Subcontractor” means a private nonprofit organization, including a religious organization or a public agency that operates one or more projects funded under this chapter pursuant to a contractual agreement with an eligible entity.

SEC. 6. Section 12735 of the Government Code is amended to read:

12735. (a) ~~On or before September 15 of each year, the~~ *The* Governor shall submit an application containing the assurances and certification required under Section 12736 to the secretary in such form as the secretary may require pursuant to Section ~~674~~ of

~~federal Public Law 97-35 9908 of Title 42 of the United States Code, as amended.~~

(b) Since under the terms of ~~federal Public Law 97-35 Section 9901 et seq. of Title 42 of the United States Code~~, as amended, the secretary may not prescribe the manner in which states shall comply with the provisions set forth in subdivision (a), it is the intent of the Legislature that California's manner of compliance shall be controlled in the first instance by this chapter, and further by the ~~annual~~ state plan and such regulations as may be promulgated by the department, pursuant to the Administrative Procedure Act (*Chapter 3.5 (commencing with Section 11340), Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with Section 11400), and Chapter 5 (commencing with Section 11370) of Division 2 of Title 3.*

(c) The state administering agency for the California Community Services Block Grant Program shall be the Department of ~~Economic Opportunity~~ *Community Services and Development*.

SEC. 7. Section 12736 of the Government Code is amended to read:

12736. For the purposes of Section 12735, the application shall contain assurance and certification that the state shall comply with all of the items listed below. The application shall include information as to how each assurance will be carried out.

(a) Conduct legislative hearings on the proposed use and distribution of Community Services Block Grant funds prior to the submission of each application.

(b) Use Community Services Block Grant funds as provided in Section 12745.

(c) Use not less than 90 percent of the Community Services Block Grant funds allotted to the state to make grants to ~~agencies~~ *which eligible entities that* meet the provisions of ~~Public Law 97-35 Section 9901 et seq. of Title 42 of the United States Code~~, as amended.

(d) Expend not more than 5 percent of the state's allotment for administrative costs at the state level.

(e) Assure that any community action agency or migrant and seasonal farmworker organization ~~which that received funding~~ *financial assistance* in the previous fiscal year under this chapter shall not have its present or future ~~funding~~ *financial assistance*

1 terminated pursuant to this chapter unless, after notice and
2 opportunity for hearing on the record, the department determines
3 that cause existed for ~~such~~ *the* termination, subject to review by
4 the secretary as provided in ~~Section 676A of Public Law 97-35~~
5 *Sections 9908 and 9915 of Title 42 of the United States Code*, as
6 amended.

7 (f) Give special consideration, *as defined in Section 9909(b) of*
8 *Title 42 of the United States Code*, in the designation of local
9 community action agencies to any community action agency
10 which was receiving funds under any federal antipoverty
11 program on the date of the enactment of federal Public Law
12 97-35, except that the state shall, before giving such special
13 consideration, determine that the agency involved meets program
14 and fiscal requirements established by the state. If there is no
15 such agency because of any change in the assistance furnished to
16 programs for economically disadvantaged persons, the state shall
17 give special consideration in the designation of community
18 action agencies to any successor agency which is operated in
19 substantially the same manner as the predecessor agency which
20 did receive funds in the fiscal year preceding the fiscal year for
21 which the determination is made.

22 (g) Decline to avail itself of permission to transfer Community
23 Services Block Grant funds, not to exceed 5 percent of the state's
24 allotment, to other specified programs.

25 (h) Prohibit any political activities in accordance with ~~Section~~
26 ~~675(e) of federal Public Law 97-35~~ *Section 9918 of Title 42 of*
27 *the United States Code*, as amended.

28 (i) Prohibit any activities to provide voters and prospective
29 voters with transportation to the polls or provide similar
30 assistance in connection with an election or any voter registration
31 activity.

32 (j) Provide for coordination between antipoverty programs in
33 each community, where appropriate, with emergency energy
34 crisis intervention programs under Title XXVI of federal Public
35 Law 97-35, as amended, (relating to low-income home energy
36 assistance) conducted in such community.

37 (k) Provide that fiscal control and fund accounting procedures
38 will be established as may be necessary to assure the proper
39 disbursement of and accounting for federal funds paid to the state
40 under this chapter, including procedures for monitoring the

1 assistance provided under this chapter, and provide that at least
2 every year the state shall prepare, in accordance with Public Law
3 98-502 (Single Audit Act of 1984), *as amended*, an audit of
4 expenditures under this chapter of amounts received under the
5 Community Services Block Grant and amounts transferred to
6 carry out the purposes of the Community Services Block Grant.

7 (l) Permit and cooperate with federal investigations
8 undertaken in accordance with Public Law 97-35, as amended.

9 SEC. 8. Section 12738 of the Government Code is amended
10 to read:

11 12738. ~~The~~ *In addition to the general powers vested in the*
12 ~~Department of Economic Opportunity may~~ *Community Services*
13 *and Development by Section 12087, the department may*
14 *promulgate regulations, make grants, and enter into contracts as*
15 *necessary and appropriate to carry out its responsibilities under*
16 *this chapter.*

17 SEC. 9. Section 12740 of the Government Code is amended
18 to read:

19 12740. ~~Each year, the~~ *The* department shall prepare ~~an annual~~
20 *a* state plan for the California Community Services Block Grant
21 Program, *as required by the secretary*, which shall include all of
22 the following:

23 (a) A statement of goals and objectives.

24 (b) Information on the types of activities to be supported,
25 geographic areas to be served, and categories or characteristics of
26 individuals to be served.

27 (c) The criteria and method established for the distribution of
28 funds, including details on how the distribution of funds will be
29 targeted on the basis of need.

30 (d) A description of how the state plan for the previous
31 program ~~year period~~ has met the goals, objectives and needs
32 identified in the prior ~~year's annual~~ state plan through the use of
33 funds in that program ~~year period~~.

34 (e) A description of the process by which the ~~annual~~ state plan
35 has been developed, distributed and reviewed by both the general
36 public, groups and individuals with an interest in the state's
37 Community Services Block Grant Program, and the Legislature.

38 (f) An explanation of how critical comment was received,
39 reviewed and either incorporated or rejected by the department
40 prior to final submission of the ~~annual~~ state plan.

1 (g) The department's most current information regarding the
2 projected federal Community Services Block Grant allocation to
3 the state.

4 (h) A report of current and planned expenditures of
5 discretionary funds.

6 SEC. 10. Section 12741 of the Government Code is amended
7 to read:

8 12741. The state's planning process shall include the
9 following:

10 (a) The ~~annual~~ state plan shall identify eligible activities and
11 the eligible entities which will conduct those activities in order to
12 meet the general goals of the California Community Services
13 Block Grant Program and the specific goals of the program. The
14 plan shall, particularly with respect to subdivision (d) of Section
15 12740, reflect the aggregate of ~~local~~ *community action* plans in
16 order to fairly represent the most essential characteristic of the
17 California Community Services Block Grant Program, which is
18 its adherence to the principle of community self-help.

19 (b) The appropriate policy ~~committees~~ *committee* of the
20 Assembly ~~and or the Senate, or both~~ shall conduct *one or more*
21 public hearings on the proposed use and distribution of funds
22 provided under the California Community Services Block Grant
23 Program. Prior to the hearing, the department shall forward to the
24 policy committees a list of the activities it has identified as
25 statewide priorities pursuant to subdivision (e) of Section 12745,
26 in order to notify the Legislature and the public of the issues to
27 be addressed by the department at ~~the~~ *each* hearing. The chairs of
28 the policy committees may request additional issues to be
29 reported on by the department. The hearings shall be conducted
30 in such a manner as to satisfy the legislative hearing requirement
31 of federal Public Law 97-35, as amended, and to give the
32 Legislature an opportunity to certify that the state plan conforms
33 ~~with to~~ the requirements of this chapter. At the discretion of the
34 respective chairs, the policy committees may hold a *single or*
35 joint hearing, *or both* to satisfy the requirements of this section.

36 (c) The department shall make adjustments to the ~~annual~~ state
37 plan as a result of public comments presented at the legislative
38 hearing as well as written comments which are submitted to the
39 department. The department shall identify all testimony
40 presented by the poor, and shall state whether the concerns

1 expressed therein have been included in the plan. If any of those
2 concerns have not been included in the plan the department shall
3 specify in the plan the reasons for the rejection of those concerns.
4 Concerns shall only be rejected if there is good cause for the
5 rejection.

6 (d) The committees conducting the hearings pursuant to
7 subdivision (b) shall determine whether the concerns of the poor
8 have been included in the state plan, as adjusted, or rejected for
9 good cause. Before the final state plan is submitted to the
10 secretary, the chairs of the committees conducting hearings shall
11 certify that the state plan conforms with the requirements of this
12 chapter.

13 (e) Upon receiving the certification required in subdivision
14 (d), the department shall submit the final state plan ~~by September~~
15 ~~15 of each year, as required by Section 9908 of Title 42 of the~~
16 *United States Code, as amended*, to the secretary, and shall
17 provide a copy to all ~~grantees eligible entities~~ and state
18 legislators no more than one week thereafter.

19 SEC. 11. Section 12742 of the Government Code is amended
20 to read:

21 12742. The ~~annual~~ *current* state plan may be amended by the
22 department at any time during the program year, provided that
23 any proposed amendments, together with the reasons therefor,
24 are distributed to all ~~grantees eligible entities~~ and state legislators
25 for a 30-day comment period commencing at least 45 days prior
26 to their planned date of submission to the secretary.

27 SEC. 12. Section 12745 of the Government Code is amended
28 to read:

29 12745. (a) Eligible activities for which financial assistance
30 may be obtained pursuant to this chapter shall be designed to
31 have a measurable and potentially major impact on causes of
32 poverty in the community or those areas of the community where
33 poverty is a particularly acute problem. These activities shall be
34 designed to assist low-income participants to do all the
35 following:

- 36 (1) Secure and retain meaningful employment.
- 37 (2) Attain an adequate education.
- 38 (3) Make better use of available income.
- 39 (4) Obtain and maintain adequate housing and suitable living
40 environment.

1 (5) Obtain emergency assistance through loans or grants to
2 meet immediate and urgent individual and family needs,
3 including the need for health services, nutritious food, housing
4 and employment-related assistance.

5 (6) Remove obstacles and solve problems which block the
6 achievement of self-sufficiency.

7 (7) Achieve greater participation in the affairs of the
8 community.

9 (8) *Address the needs of youth in low-income communities.*

10 (9) Make more effective use of other programs related to the
11 purposes of this chapter.

12 (b) Additionally, activities shall be designed to do all of the
13 following:

14 (1) Provide on an emergency basis for the provision of the
15 supplies and services, nutritious foodstuffs, and related services,
16 as may be necessary to counteract conditions of starvation and
17 malnutrition among the poor.

18 (2) Coordinate and establish linkages between governmental
19 and other social services programs to assure the effective
20 delivery of such services to low-income individuals.

21 (3) Encourage the use of entities in the private sector of the
22 community in efforts to ameliorate poverty in the community.

23 (c) Each eligible entity shall, through the local planning
24 process, select and propose for funding the programs or projects
25 which, in its judgment, will produce the maximum impact on its
26 community.

27 (d) Entities eligible for funding under Article 9 (commencing
28 with Section 12775) are limited purpose agencies which need not
29 respond to the broad range of eligible activities but may provide
30 specialized training, technical assistance and support services to
31 enhance the effectiveness of community action programs,
32 migrant and seasonal farmworker programs, and American
33 Indian programs.

34 (e) The department may prescribe statewide priorities among
35 eligible activities or strategies which shall be considered and
36 addressed in the local planning process and described in the ~~local~~
37 *community action* plan submitted to the state. Each ~~local grantee~~
38 *eligible entity* shall be authorized to set its own program
39 priorities in conformance to its own determination of local needs.

(f) If no other entity in the community provides those services, ~~grantees~~ *eligible entities* under Article 6 (commencing with Section 12750), Article 7 (commencing with Section 12765), or Article 8 (commencing with Section 12770) shall provide a minimum level of services to help the poor receive the benefits for which they are eligible under health, food, income, and housing assistance programs designed to meet the basic survival needs of the poor. These services shall include, but shall not be limited to, all of the following:

(1) A service to help the poor complete the various required application forms, and, when necessary and possible, to help them gather verification of the contents of completed applications.

(2) A service to explain program requirements and client responsibilities in programs serving the poor.

(3) A service to provide transportation, when necessary and possible.

(4) A service which does all things necessary to make the programs accessible to the poor, so that they may become self-sufficient.

(g) Standards of effectiveness to be addressed *and attained* in setting goals and assessing accomplishments are:

(1) Strengthened community capabilities for planning and coordinating so as to insure that available assistance related to the elimination of poverty can be more responsive to local needs and conditions.

(2) Better organization of services related to the needs of the poor.

(3) Maximum feasible participation of the poor in the development and implementation of all programs and projects designed to serve the poor.

(4) Broadened resource base of programs directed to the elimination of poverty so as to include all elements of the community able to influence the quality and quantity of services to the poor.

(5) Greater use of new types of services and innovative approaches in attacking causes of poverty, so as to develop increasingly effective methods of employing available resources.

1 (6) Maximum employment opportunity, including opportunity
2 for further occupational training and career development for
3 residents of the area and members of the groups served.

4 (7) *Those programmatic and fiscal standards set by the*
5 *department through regulation or by inclusion in the terms and*
6 *conditions of a contract.*

7 (h) *In administering the California Community Services Block*
8 *Grant program, the department shall enforce all the*
9 *programmatic and fiscal requirements and standards of*
10 *effectiveness provided by this chapter, except that no eligible*
11 *entity shall be determined to be out of compliance with*
12 *programmatic or fiscal requirements established by the*
13 *department until those requirements and standards are published*
14 *for review and comment by the eligible entities and until eligible*
15 *entities are afforded a reasonable opportunity to comply*
16 *therewith.*

17 SEC. 13. Section 12747 of the Government Code is amended
18 to read:

19 12747. (a) ~~Local~~ Community action plans shall be developed
20 each year by eligible entities *as required by the secretary and the*
21 *director* using processes which assess poverty-related needs,
22 available resources, and feasible goals and strategies, and which
23 yield program priorities consistent with standards of
24 effectiveness established for this program. ~~Local~~ Community
25 action plans shall identify eligible activities to be funded in the
26 program service areas and the needs which each activity is
27 designed to meet. Local plans shall provide for the contingency
28 of reduced federal funding.

29 (b) All eligible entities shall submit their grant applications,
30 including local plan and report of the public hearing, if required,
31 to the department no later than June 30 of each year.

32 (c) Each eligible entity not serving a statewide area shall
33 conduct a local public hearing for the purpose of reviewing the
34 local plans of all eligible entities located or operating within a
35 political subdivision served or proposed to be served pursuant to
36 this chapter.

37 (d) Agencies holding hearings pursuant to this article shall
38 identify all testimony presented by the poor, and shall determine
39 whether the concerns expressed by that testimony have been
40 addressed in the plan. If the agency determines that any of these

1 concerns have not been included in the plan, it shall specify in its
2 response to the plan information about those concerns and
3 comment as to their validity.

4 SEC. 14. Section 12750 of the Government Code is amended
5 to read:

6 12750. (a) A community action agency shall be a public or
7 private nonprofit agency—~~which, including a religious~~
8 ~~organization, that~~ fulfills all of the following requirements:

9 (1) Has been designated by ~~a political subdivision or~~
10 ~~combination of political subdivisions~~ *the director* to operate a
11 community action program.

12 (2) Has a tripartite board structure meeting the requirements of
13 Section 12751.

14 (3) Has the power, authority, and capability to plan, conduct,
15 administer, and evaluate a community action program, including
16 the power to enter into contracts with other public and private
17 nonprofit agencies and organizations to assist in fulfilling the
18 purposes of this chapter.

19 ~~(4) Is recognized by the department as a community action~~
20 ~~agency.~~

21 (b) A community action program is a locally planned and
22 operated program comprising a range of services and activities
23 having a measurable and potentially major impact on causes of
24 poverty in the community or those areas of the community where
25 poverty is a particularly acute problem.

26 (c) Component services and activities of a community action
27 program may be administered directly by the community action
28 agency, or by other agencies pursuant to ~~delegation agreements~~
29 *contractual agreements with the eligible entity*. They may be
30 projects eligible for assistance under this chapter, or projects
31 assisted from other public or private sources, and they may be
32 either specially designed to meet local needs, or designed
33 pursuant to the eligibility standards of the state or federal
34 program providing assistance to a particular kind of activity
35 which will help in meeting those needs.

36 (d) For the purpose of this chapter, a community may be a
37 city, county, multicity or multicounty unit, which provides a
38 suitable organizational base and possesses the commonality of
39 interest needed for a community action program.

1 SEC. 15. Section 12750.1 of the Government Code is
2 amended to read:

3 12750.1. (a) No new community action agency may be
4 designated by *the director for* a political subdivision ~~which that~~
5 is served by an existing community action agency unless any of
6 the following exist:

7 (1) The political subdivision is informed in writing by the
8 director that the ~~designated~~ *existing* community action agency
9 has failed to comply, after having a reasonable opportunity to do
10 so, with the requirements of this chapter.

11 (2) The political subdivision is informed by its ~~designated~~
12 *existing* community action agency that because of changes in
13 assistance furnished to programs to economically disadvantaged
14 persons it can no longer operate a satisfactory community action
15 program.

16 (3) The ~~political subdivision~~ *director* is petitioned by
17 significant numbers of eligible beneficiaries to reconsider its
18 existing designation and, based on that reconsideration,
19 determines to designate an alternate community action agency.

20 (b) In the event that the designation of an existing community
21 action agency is revoked, the ~~political subdivision shall have~~
22 *director shall designate a new community action agency within* a
23 period of 90 days after the effective date of the revocation ~~to~~
24 ~~designate a new community action agency. If the political~~
25 ~~subdivision fails to designate a new community action agency~~
26 ~~within that period, the director may designate a new community~~
27 ~~action agency.~~

28 (c) New community action agency designations may be made
29 by political subdivisions or combinations of political
30 subdivisions in ~~uncapped areas~~ *a county or portion thereof for*
31 *which no community action agency has been designated* provided
32 that the community to be served has a population of at least
33 50,000 as determined by the Bureau of Census from the most
34 recent available census or survey. The director may waive the
35 general requirement that the community to be served have a
36 population of at least 50,000 in those instances where no
37 practical grouping of contiguous political subdivisions can be
38 made in order to meet that requirement.

39 (d) A private nonprofit agency which serves ~~an uncapped~~ *a*
40 political subdivision or combination of political subdivisions

1 having more than 50,000 population ~~where the political~~
2 ~~subdivision or subdivisions have refused to designate a~~
3 ~~community action agency~~, shall be entitled to petition the ~~office~~
4 ~~department~~ for state designation as a community action agency,
5 provided it has a governing board meeting community action
6 agency requirements and has the capability to plan, conduct,
7 administer, and evaluate a community action program.

8 ~~(e) The process for designation and recognition of a new or~~
9 ~~alternate community action agency shall include all of the~~
10 ~~following:~~

11 ~~(1) Notice of intent to designate.~~

12 ~~(2) Public hearings.~~

13 ~~(3) Legislative passage of an act, ordinance, or resolution of~~
14 ~~designation by the governing officials of the political subdivision~~
15 ~~or subdivisions.~~

16 ~~(4) Submission to the department of an application for~~
17 ~~recognition.~~

18 ~~(5) Review of application.~~

19 ~~(6) Granting of recognition.~~

20 SEC. 16. Section 12750.2 of the Government Code is
21 amended to read:

22 12750.2. For purposes of serving any area of the state in
23 which community action programs cease to be provided, the
24 director shall designate an organization in accordance with
25 ~~Section 673(1) of Public Law 97-35 9909 of Title 42 of the~~
26 ~~United States Code~~, as amended.

27 SEC. 17. Section 12751 of the Government Code is amended
28 to read:

29 12751. Each community action agency shall have a board of
30 directors conforming to the following requirements:

31 (a) One-third of the members of the board are elected public
32 officials, currently holding office, or their representatives, except
33 that if the number of elected officials reasonably available and
34 willing to serve is less than one-third of the membership of the
35 board, membership on the board of appointive public officials
36 may be counted in meeting this requirement.

37 (b) At least one-third of the members are persons chosen in
38 accordance with democratic selection procedures outlined in
39 regulations promulgated by the department to assure that the
40 members represent the poor *and reside* in the area served.

(c) The remainder of the members are officials or members of business, industry, labor, religious, ~~welfare~~ *human services*, education, or other major groups and interests in the community.

SEC. 18. Section 12752.1 of the Government Code is amended to read:

12752.1. (a) If a political subdivision or local government ~~establishes itself~~ *is designated* as a community action agency, it shall do all of the following:

(1) Establish a tripartite *advisory or administering* board to provide input to the political subdivision or local government regarding the activities of the community action agency.

(2) Share with its tripartite board the determination of the community action agency's program plans and priorities.

(3) Provide for the participation of the ~~administering~~ *tripartite* board in the selection of the executive director of the community action agency, unless prohibited by local law, city charter, or civil service procedure.

(b) The political subdivision or local government may, consistent with general and local law, delegate any or all of the following powers to the *advisory or administering* board:

(1) To determine its own rules and procedures and to select its own officers and executive committee.

(2) To determine, subject to the ratification of designating officials, the community action agency's major personnel, organizational, fiscal, and program policies.

(3) To approve, subject to the ratification of designating officials, all program proposals, budgets and ~~delegate agency~~ *subcontractor* agreements.

(4) To oversee the extent and the quality of the participation of the poor in the programs of the community action agency.

SEC. 19. Section 12753 of the Government Code is amended to read:

12753. (a) ~~The board of directors of each~~ *Each* community action agency shall adopt procedures to provide a continuing and effective mechanism for securing broad community involvement in programs assisted under this act and that all groups or elements represented on those boards have a full and fair opportunity to participate in decisions affecting those programs.

(b) Community action agencies shall establish procedures under which community agencies and representative groups of

1 the poor which feel themselves inadequately represented on the
2 community administering board or governing board may petition
3 for adequate representation.

4 SEC. 20. Section 12756 of the Government Code is amended
5 to read:

6 12756. Every community action agency has a fundamental
7 responsibility to encourage, assist, and strengthen the ability of
8 the poor in the areas served by the community action agency to
9 play major roles in the organization; program planning; goal
10 setting; determination of priorities; decisions concerning
11 budgeting and financial management; key decisions concerning
12 hiring of personnel, selection criteria, personnel policies, and
13 career development programs; and evaluation of programs
14 affecting their lives. The fundamental responsibility of the
15 community action agency includes:

16 (a) Seeking and bringing about ways to improve its own
17 effectiveness as a channel through which the poor, local
18 government and private groups can communicate, plan and act
19 together in partnership. In such a partnership, the poor shall have
20 a strong voice or role, both directly and through representatives
21 whom they have chosen.

22 (b) Providing the representatives of the poor serving on the
23 board of directors of the community action agency with the tools
24 and the support, including guidance, training, and staff
25 assistance, which will permit them to participate meaningfully in
26 the affairs of the community action agency, and in all of its
27 programs and ~~delegate~~ *subcontractor* agencies.

28 (c) Encouraging the development of effective local
29 organizations established and controlled by residents of poverty
30 neighborhoods and areas. Community action agencies are
31 expected to provide training, technical assistance, and staff
32 resources to enable the poor to develop, administer, and
33 participate effectively in local area programs and to enter into the
34 broader community discussion of poverty problems and
35 solutions.

36 (d) Providing employment for poor persons in all phases of the
37 community action program.

38 (e) Continually ensuring that ~~delegate~~ *subcontractor* agencies
39 involve poor persons in the planning, conduct, and evaluation of
40 ~~delegated~~ *subcontracted* programs.

1 (f) Working for the acceptance by other public and private
2 agencies and organizations serving the community of effective
3 and growing involvement of the poor in the planning, conduct
4 and evaluation of all activities which affect them and their
5 inclusion in career jobs in the agencies.

6 SEC. 21. Section 12758 is added to the Government Code, to
7 read:

8 12758. All Community Services Block Grant funds made
9 available by Congress shall be used by the state, together with
10 any state funds as may from time to time be appropriated for this
11 program, and any funds as may be transferred to this program
12 from other federal block grants, in accordance with the annual
13 Budget Act.

14 No transfer of funds is permitted, under any circumstance,
15 from the California Community Services Block Grant Program to
16 any other block grant or program administered by the state or by
17 the federal government.

18 SEC. 22. Section 12760 of the Government Code is amended
19 to read:

20 12760. Community action agencies funded under this article
21 shall coordinate their plans and activities with other eligible
22 entities funded under Articles 7 (commencing with Section
23 12765) and 8 (commencing with Section 12770) which serve any
24 part of their communities, so that funds are not used to duplicate
25 particular services to the same beneficiaries and plans and
26 policies affecting all grantees under this chapter are shaped, to
27 the extent possible, so as to be equitable and beneficial to all
28 ~~grantees~~ *community agencies* and the populations they serve.

29 SEC. 23. Section 12761 of the Government Code is amended
30 to read:

31 12761. A community action agency *or eligible entity* shall not
32 use any funds received under this article to replace discontinued
33 state or local funding.

34 SEC. 24. Section 12763 of the Government Code is repealed.

35 ~~12763. Notwithstanding Section 1090, a member may vote on~~
36 ~~any matters before a community development district board, as~~
37 ~~provided for in the Housing and Community Development Act of~~
38 ~~1974 (Pub. L. 93-383), except those which have a direct bearing~~
39 ~~on services to be provided by that member (or any business or~~
40 ~~organization which that member directly represents) or which~~

1 ~~would financially benefit the member or the business or~~
2 ~~organization which the member directly represents.~~

3 SEC. 25. Section 12768 of the Government Code is amended
4 to read:

5 12768. Migrant and seasonal farmworker program grantees
6 shall coordinate their plans and activities with other ~~grantees~~
7 *eligible entities* funded by the department to avoid duplication of
8 services and to maximize services for all eligible beneficiaries.

9 SEC. 26. Section 12772 of the Government Code is amended
10 to read:

11 12772. American Indian grantees shall be limited to tribes
12 and other Indian organizations in urban or rural off-reservation
13 areas who demonstrate community governance, such as Indian
14 nonprofit organizations, who meet the criteria of eligible entity as
15 defined in subdivision ~~(e)~~ (f) of Section 12730. In a county
16 having a population of over 7,000,000 persons, the County
17 Community Action Agency may serve as the ~~grantee~~ *eligible*
18 *entity* if (1) requested to serve in this capacity by a commission
19 composed of representatives of American Indian beneficiaries in
20 that county and (2) the board of supervisors of the county shares
21 grant allocation authority with an appropriate American Indian
22 entity. American Indian programs funded under this article shall
23 coordinate their plans and activities with other ~~grantees~~ *eligible*
24 *entities* funded by the department to avoid duplication of services
25 and to maximize services for eligible beneficiaries.

26 SEC. 27. Section 12773 of the Government Code is amended
27 to read:

28 12773. American Indian ~~grantees~~ *entities* funded by the
29 department and operating under authority of this chapter in the
30 prior program year shall have the same protections against
31 defunding as defined in subdivision (e) of Section 12736.

32 SEC. 28. Section 12776 of the Government Code is amended
33 to read:

34 12776. Limited purpose agencies funded under this article
35 shall coordinate their plans and activities with other ~~grantees~~
36 *eligible entities* funded by the department to avoid duplication of
37 services and to maximize services for all eligible beneficiaries.

38 SEC. 29. Section 12780 of the Government Code is amended
39 to read:

1 12780. The powers and responsibilities of the department as
2 the state administering agency for the California Community
3 Services Block Grant Program are ~~to ensure necessary to do all~~
4 ~~of the following:~~

5 (a) *Ensure* that all applicable federal requirements of Subtitle
6 B of Title VI of Public Law 97-35, as amended, are met ~~and~~.

7 (b) *Define and enforce state standards of programmatic*
8 *performance and fiscal accountability, including, but not limited*
9 *to, any assurances that the state makes in its state plan.*

10 (c) *Promulgate regulations and execute grants and contracts*
11 *necessary or convenient for the exercise of its responsibilities,*
12 *powers, and functions under the Community Services Block*
13 *Grant.*

14 (d) *Ensure that* the administrative requirements of this
15 program are clear and uniform, ~~and provide.~~

16 (e) *Provide* adequate safeguards for the due process rights of
17 ~~grantees eligible entities~~ and beneficiaries.

18 SEC. 30. Section 12781 of the Government Code is amended
19 to read:

20 12781. The department shall have the following *powers and*
21 *duties:*

22 (a) Development of an orderly grant application process
23 culminating in a prescribed ~~statement of grant action~~ *contract*.

24 (b) Ensuring that ~~grantees eligible entities~~ will have a timely
25 cash flow within the guidelines of the federal Cash Management
26 Improvement Act of 1990 (P.L. 101-453), as amended. The
27 department shall issue to each ~~grantee eligible entity~~ an advance
28 payment at the beginning of the contract period equal to 25
29 percent of the ~~grantee's eligible entity's~~ total contract amount.
30 Payments thereafter shall be equal to expenditures reported on
31 the ~~grantee's eligible entity's~~ financial progress reports, not to
32 exceed the ~~grantee's eligible entity's~~ total contract amount.

33 (c) Promulgation of uniform ~~grants~~ *contracts* management
34 standards to include:

35 (1) Standards for fiscal control and fund accounting that do all
36 of the following:

37 (A) Require new ~~grantees eligible entities~~ to be certified by an
38 accountant prior to receiving ~~funding~~ *financial assistance*.

39 (B) Require periodic financial reporting to the office and an
40 annual audit.

1 (C) Permit a defined range of flexibility from approved
2 budgets and the use of negotiated indirect costs rates.

3 (D) For the purpose of administrative expenditures, permit-a
4 ~~grantee~~ *an eligible entity* to use funds allocated under this chapter
5 in an amount not to exceed 12 percent of its total operating funds.

6 (E) Limit the use of funds for construction, as required by
7 federal law.

8 (2) Minimum standards for procurement to prevent conflict of
9 interest or malfeasance.

10 (3) Standards regarding property that provide that title to
11 property purchased with funds granted under this chapter or with
12 funds formerly granted pursuant to the federal Economic
13 Opportunity Act of 1964 (Chapter 34 (commencing with Section
14 2701) of Title 42 of the United States Code) shall vest in the
15 grantee, subject to conditions requiring prudent property
16 management and the provision for disposition of the property
17 among other ~~grantees~~ *eligible entities* in the event of closeout.

18 (4) *Standards for the withholding of payments or recovery of*
19 *moneys where the department determines that underlying cost*
20 *expenditures or obligations claimed by the eligible entity are*
21 *disallowed.*

22 (5) Standards for termination or reduction of financial
23 assistance to-a ~~grantee~~ *an eligible entity*, or revocation of the
24 ~~recognition~~ *designation* of a community action agency, for
25 failure to comply with this chapter. The department may ~~suspend~~
26 *terminate* or reduce any ~~funding~~ *financial assistance* provided to
27 a ~~grantee~~ *an eligible entity* under this chapter forthwith, if the
28 department finds there is evidence of fraud or illegal use of
29 funds. ~~In the case of substantial noncompliance with the terms~~
30 ~~and conditions of the statement of grant action or contract, the~~
31 ~~department may suspend or reduce funding provided under this~~
32 ~~chapter after giving the grantee 15 days' written notice. The~~
33 ~~department also may terminate or reduce any financial~~
34 ~~assistance to an eligible entity, if the department determines that~~
35 ~~"cause," as defined at Section 9908(c) of Title 42 of the United~~
36 ~~States Code as amended, exists and after providing notice and an~~
37 ~~opportunity for a hearing on the record, subject to review by the~~
38 ~~secretary as provided in Section 9915(b) of Title 42 of the United~~
39 ~~States Code as amended.~~

1 ~~(5) Standards for withholding recognition of a newly~~
2 ~~designated community action agency when the director~~
3 ~~determines that the designated entity does not meet the~~
4 ~~requirements of this chapter.~~

5 (d) Promulgation of regulations pursuant to the Administrative
6 Procedure Act (Chapter 3.5 (commencing with Section 11340),
7 Chapter 4 (commencing with Section 11370), and Chapter 5
8 (commencing with Section 11500), of Part 1) that are necessary
9 and appropriate for the effective administration of this chapter.
10 These *At a minimum these* regulations shall clearly define all of
11 the following:

12 (1) The due process rights, including notification, right of
13 appeal, and opportunity for a fair hearing, of ~~grantees~~ *eligible*
14 *entities*, and the procedures to be followed in order to guarantee
15 those rights, in cases of denial of refunding, suspension,
16 *reduction*, or termination of funding, or revocation of designation
17 by the department.

18 (2) The obligation of ~~grantees~~ *eligible entities* to provide a fair
19 procedure for clients denied services by ~~grantees~~ *eligible entities*.

20 (3) The requirement that community action agencies select
21 tripartite boards that include persons who represent the poor.
22 These regulations shall ensure that democratic procedures are
23 fully operative and may include criteria for tenure, geographic
24 representation, and election procedures.

25 (e) Establishment of procedures for orderly closeout of
26 terminated ~~grantees~~ *entities*.

27 (f) Monitoring and periodic evaluation of ~~grantees~~ *eligible*
28 *entities*, using evaluation methods and standards that have been
29 published prior to the evaluation and that provide ~~grantees~~
30 *eligible entities* an opportunity to respond to evaluation findings.

31 (g) Development of standards to ~~ensure~~ ~~grantees'~~ *eligible*
32 *entities* compliance with federal *and state* requirements for
33 public access to records, prohibition of partisan political
34 activities, and nondiscrimination.

35 (h) Establishment of policies and procedures that ensure
36 freedom of information.

37 (i) Fostering cooperation among ~~grantees~~ *community action*
38 *agencies*, including providing opportunities for ~~grantees~~
39 *community action agencies* to work together and publishing a
40 directory, that shall be periodically updated, of all grantees under

1 this program and the Low-Income Home Energy Assistance
2 Program (Subchapter II (commencing with Section 8621) of
3 Chapter 94 of Title 42 of the United States Code).

4 (j) Establishment of procedures for the allocation of the funds
5 available pursuant to subdivision (c) of Section 12759.

6 (k) Identification and encouragement of linkages with other
7 state departments, local governments or private groups that
8 oversee programs providing resources for low-income persons in
9 order to coordinate existing efforts to overcome poverty.

10 SEC. 31. Section 12785 of the Government Code is amended
11 to read:

12 ~~12785. All Community Services Block Grant funds made~~
13 ~~available by the Congress shall be used by the state, together~~
14 ~~with any state funds as may from time to time be appropriated for~~
15 ~~this program, and any funds as may be transferred to this~~
16 ~~program from other federal block grants, in accordance with the~~
17 ~~annual Budget Act.~~

18 ~~No transfer of funds is permitted, under any circumstance,~~
19 ~~from the California Community Services Block Grant Program to~~
20 ~~any other block grant or program administered by the state or by~~
21 ~~the federal government.~~

22 ~~In the event that~~ *If* diminished federal appropriations for the
23 Community Services Block Grant result in California's share for
24 any fiscal year being reduced by any amount up to 3.5 percent
25 below the amount appropriated in the annual Budget Act, the
26 director shall use the discretionary fund to proportionately restore
27 Community Services Block Grant grantees and contractors to full
28 funding levels.

29 ~~In the event~~ *If* that diminished federal appropriations for the
30 Community Services Block Grant result in California's share for
31 any federal fiscal year being reduced by 5 percent or more below
32 the amount appropriated in the annual Budget Act, the director
33 and the Department of Economic Opportunity Advisory
34 Commission shall so inform the Speaker of the Assembly and the
35 President pro Tempore of the Senate by letter within 10 days of
36 the congressional action authorizing the diminished
37 appropriations. At the end of the state fiscal year in which the
38 letters were transmitted, the requirements of this section shall be
39 suspended until the Legislature makes a statutory determination

1 regarding the adjustments in fund allocations to be made in
2 response to the above-described contingency.

3 SEC. 32. Section 12787 of the Government Code is amended
4 to read:

5 12787. Nothing in this chapter shall be construed to prohibit
6 ~~a grantee~~ *an eligible entity* under Article 6 (commencing with
7 Section 12750), 7 (commencing with Section 12765), or 8
8 (commencing with Section 12770), from applying for state
9 discretionary funds, provided that no discretionary funding
10 received by ~~such a grantee~~ *the eligible entity* shall be used to
11 duplicate services funded pursuant to other provisions of this
12 chapter.

13 SEC. 33. No reimbursement is required by this act pursuant
14 to Section 6 of Article XIII B of the California Constitution
15 because the only costs that may be incurred by a local agency or
16 school district will be incurred because this act creates a new
17 crime or infraction, eliminates a crime or infraction, or changes
18 the penalty for a crime or infraction, within the meaning of
19 Section 17556 of the Government Code, or changes the
20 definition of a crime within the meaning of Section 6 of Article
21 XIII B of the California Constitution.

22
23
24 CORRECTIONS: _____

25 Heading — Line 1.
26 _____